



March 8, 2021

To: Aging Committee

Testimony re: Senate Bill 974, An Act Concerning Homemaker and Companion Services.

I own a small Homemaker and Companion Agency in southeast CT. We *recruit, employ, train and supervise caregivers* who help local seniors stay safely independent in their own homes. I started my agency in 2007, after I experienced a need for companion assistance in my own home, as my husband's ALS progressed. There wasn't a local companion agency option at the time and I was forced to seek and organize direct-hired help for our situation. It was a challenging, time-consuming process wrought with multiple negative experiences, which prompted me to pursue opening a companion agency so I could help make things easier for others. I and many others can personally vouch for the advantages of having Homemaker and Companion agencies available as an option for those who need their services.

I thank the Aging Committee for introducing SB 974 and respectfully request that **the aging committee approve Senate Bill 974, with amendments as noted.**

The Home Care Association of America has submitted detailed testimony with proposed amendment language. Their proposed amendments to this bill:

- 1) Would **require registries** (who do not EMPLOY caregivers, but charge fees to provide contact information for direct-hired caregivers to consumers, with the consumer as the employer) to **notify elderly consumers of home care that:**
  - a. **the consumer is responsible for reporting compensation paid to individuals to the IRS, and**
  - b. **consumers are legally liable for work-related injuries, including that individuals must be covered by workers' compensation or other insurance.**

These provisions would help ensure proper notice to senior consumers and helps protect seniors, which is consistent with other state consumer protection laws and policy.

- 2) Would **amend the ban on noncompete agreements** to clarify that home care agencies **would** be able to enforce certain, limited nonsolicitation agreements which are common practice in this industry (as well as in other similar industries such as temporary/staffing agencies). The nonsolicitation agreements, which would be limited in duration, help prevent the practice of clients arranging direct-hire and "under the table" employment to the same caregiver employees who have been scheduled to work with a client via an agency.

As a small business, we invest significant resources in recruiting, hiring and training qualified caregivers to provide needed services to our clients. We also invest resources to market to, and contract with, senior clients and their families. Our services include assessing needs and developing detailed care



plans to provide appropriate services to optimize independence and quality of life for our clients, and coordinating a schedule of care with the most qualified caregivers based on their availability and several other factors, as well as supervising services going forward. This is the crux of our business, and to permit clients or caregivers to initiate a private-hire situation with the same caregiver, after an agency has invested resources to develop and implement a caregiving solution with an employee caregiver, is an unfair practice.

It has been a standard, lawful practice for businesses like ours to permit narrow, short term nonsolicitation provisions to protect our business assets and practices. The recent CT state budget provision that adopted the **ban on non-solicitation agreements** was overly broad. It may have unintended consequences, including ultimately limiting access to care for the very persons it was designed to protect. In addition, the ban on nonsolicitation agreements in our industry encourages an increase in “under the table” direct-hired companions for seniors, as well as eliminating agency oversight, supervision, updated care plans *and* ongoing training opportunities for the caregiver who would leave the employ of the agency, to work for the client directly. It contributes to a cycle of agencies hiring, onboarding and training the best caregiver employees, only to continually lose a subset of them to direct-hire solicitations -- while also losing clients to the same direct-hire arrangement, resulting in a threat to our small businesses in this needed industry.

We do not want to limit the ability of caregivers to earn a living. It is common for caregivers to work per diem with more than one agency at the same time, and to have their own private-hired clients as well, which affords flexibility and the option to work the schedules that best meet their own needs. Senate Bill 974 as amended properly balances the competing interests at stake without disrupting home care agency owners’ ability to operate their businesses.

Thank you for your consideration.

Respectfully submitted by

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